

Slough Borough Council

Report to:	Cabinet
Date:	20 June 2022
Subject:	Council Tax Energy Bill Rebates Scheme
Chief Officer:	Steven Mair – Director of Finance
Contact Officer:	Chris Boylett – Interim Group Manager Revenues, Benefits and Charges
Ward(s):	All
Portfolio:	Cllr Rob Anderson, Lead Member for Financial Oversight and Council Assets
Key decision:	Yes
Exempt:	No
Decision subject to call in:	Yes
Appendices:	1 - Council Tax Energy Bill Rebates 2022/23 Core and Discretionary Scheme

1. Summary and Recommendations

- 1.1 This report sets out the recommended approach for the utilisation and award of Discretionary Energy Bill Rebates.

Recommendations:

- 1.2 Cabinet is recommended to:

- 1) Approve the policy at Appendix 1 for the allocation of the discretionary funding to support vulnerable households to meet their energy bills. The following groups would be supported
 - a. A single one-off payment of £150 will be awarded to any household who resides in a dwelling with a Council Tax band E-H and are in receipt of Council Tax Reduction. Current cases 200 costing £30,000
 - b. A single one-off payment of £150 will be awarded to any household who resides in a dwelling with a Council Tax band E-H and are entitled to a reduction under the Council Tax (Reduction for Disabilities) Regulations 1992. Currently 30 cases costing £4,500
 - c. A single one-off payment of £150 will be awarded to any household who resides in a dwelling with a Council Tax band E-H and are entitled to a reduction as a result of Severe Mental impairment. Currently 5 cases costing £750
 - d. A single additional payment of £30 (in addition to the mandatory payment) will be awarded to any household who resides in a home with a Council Tax

- band A to D and is in receipt of Council Tax reduction on the 1st June 2022.
Currently 9,500 cases costing £285,000
- e. Retain a small post of £43,200 to make awards for energy support identified through the Household support fund scheme.
- 2) Delegate to the Council's Section 151 Officer, in consultation with the Lead Member for Financial Oversight and Council Assets, the authorisation to make technical scheme amendments to ensure the scheme meets the criteria set by the Government and the Council.

Reason

- 1.3 The recommendations are considered the most effective way in which to target the available funds (£363,450) in supporting the households most likely to be impacted by the increases in energy costs. By supporting those who are already reliant on state benefits or who have identified disabilities to support their households this provides money to those least likely to be able to manage the increase in energy costs.

Commissioners Review

"The commissioners are content with the proposals."

2. Report

Introduction

- 2.1 The proposed policy seeks to ensure that the utilisation of the funding made available for the discretionary scheme supports those households most in need and most likely to be impacted by the increasing energy costs and the ongoing cost of living crisis.
- 2.2 It is clear that the limited funds made available will need to mitigate the impacts of the largest energy bill increases ever seen but by targeting the available funds these proposals seek to reduce the impact on those least likely to be able to meet these increases.

Options considered

- 2.3 A number of options were considered in looking at how best to utilise the funding made available to support households outside of the scheme. These included
- Providing support to all Band E – H properties but this would have resulted in a relatively small payment to all households and could be seen as inappropriate or insufficient by recipients. This would also have been a significant administrative burden.
 - Putting in place an application based discretionary scheme that invites individual claims for support. Again, this would be a large administrative exercise that would be likely to lead to funding not being awarded in a timely manner and the full allocation may not be used.
 - Awarding a payment to those who move into the borough after the 1st April 2022. This was seen as a difficult option as the service would need to gather

information from residents who may have received a payment elsewhere. At the same time, it would be difficult to manage the spend within the limited budget available.

Background

- 2.4 From 1 April 2022, households will be entitled to a non-repayable energy rebate payment of £150, known as the Council Tax Rebate, to a liable council taxpayer (or person who would otherwise be liable where the property is exempt) for every household that occupies a property in Bands A to D which meets the required criteria on 1 April 2022.
- 2.5 Each Council is also required to provide a discretionary scheme, for those in council tax bands E to H who are in need and not entitled to the Council Tax Rebate. This funding can also be used to provide extra support to those in Bands A to D.
- 2.6 In order for a property to be included in the mandatory scheme it must meet the following criteria on 1 April 2022:
- it is valued in council tax bands A to D. This includes a property that is valued in band E but has an alternative valuation band of band D, as a result of the disabled band reduction scheme
 - it is someone's sole or main residence
 - it is a chargeable dwelling, or in exemption classes N – students, S – under 18s, U – Severely Mentally Impaired, or W – Occupied Annexe
- 2.7 This payment is designed to support households with the costs of their energy utilities. To be entitled to the payment the following eligibility rules must also be met:
- where the council is aware that the liable council taxpayer does not occupy the property, they will not be eligible.
 - where a property is in Exemption class N (other than HMOs for council tax purposes), S U or W and the council is able to contact an occupant, the occupant will be eligible for the support.
 - a property that meets all the criteria but, has a nil council tax liability as a result of local council tax support, will be eligible.
 - an unoccupied property (for the purposes of calculating council tax) will not be eligible.
- 2.8 For those people who occupy a property and do not meet the criteria to receive a mandatory payment the discretionary scheme will look to help the most vulnerable within the area.
- 2.9 The mandatory scheme will run from 1 April 2022 to 30 September 2022. The discretionary scheme will run from 2 April 2022 until 30 November 2022, or until funds are exhausted, whichever is the earlier. The council has been allocated £363,450 for awards under the discretionary scheme.

3. Implications of the Recommendation

3.1 Financial implications

3.1.1 The Council has been allocated £363,450 in funding for awards to be made under a discretionary scheme to support vulnerable households to meet their energy bills. The categories of eligibility as set out in paragraph 1.2 above clarify how the funding will be distributed, along with a projection of how much will be issued to residents in each category. This will leave an estimated £43,200 to make awards for energy support identified through the Household support fund scheme. There is no net cost impact to the Council from the administration of the scheme.

3.2 Legal implications

3.2.1 The recommendations contained within this policy meet the guidance set out in the Support for energy bills - the council tax rebate 2022-23: billing authority guidance by Department of Levelling Up, Housing & Communities which was updated on the 16 March 2022 and is in line with Section 3 Local Government Finance Act 1992 Regulation 3 (1) (c) Council Tax (Administration and Enforcement) Regulations 1992.

3.2.2 The guidance confirms that local authorities can choose whether to distribute the discretionary funding to those households who are not eligible under the core scheme or to provide "top ups" to those most vulnerable households in bands A to D. This can include support for households on income related benefits or those energy bill payers who are not liable for council tax. Discretionary support should not be offered to occupants of property in exemption class O, as the Ministry of Defence will provide cost of living support. Allocations must be spent by 30 November 2022 and any unpaid allocation will need to be repaid to central Government.

3.2.3 For those individuals who are eligible but do not have a direct debit arrangement in place, appropriate pre-payment checks must be undertaken. This can include a requirement for an application and self-certification to confirm that the individual is a liable taxpayer, meets any eligibility criteria and is applying on behalf of a household. The Council must satisfy itself that the claimant is entitled to payment and that the payment details are those of the entitled person and retain a record of any evidence supplied and all pre-payment checks undertaken.

3.3 Risk management implications

3.3.1 Not directly applicable.

3.4 Environmental implications

3.4.1 Not directly applicable.

3.5 Equality implications

3.5.1 Under s.149 of the Equality Act 2010, the Council must have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.

- Foster good relations between people who share a protected characteristic and those who do not.

3.5.2 Officers have considered this duty when recommending the groups of people who should receive support. Two groups have been prioritised based on disability and support has been targeted at those households in receipt of income related benefits ensuring that protected groups who are disproportionately represented in this category receive financial support.

4. Background Papers

1. [Support for energy bills - the council tax rebate 2022-23: billing authority guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/guidance/support-for-energy-bills-the-council-tax-rebate-2022-23-billing-authority-guidance)